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May 10, 2000

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# VIA OVERNIGHT DELIVERY

K. David Waddell, Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243

RE:

Docket No. 00-00274

Dear Mr. Waddell:

In response to the Commission's letter, dated May 1, 2000, requesting additional information in the application of Arbros Communications Licensing Company S.E., LLC for a Certificate of Public Convenience and Necessity, enclosed are the original and thirteen (13) copies of the responses.

Please date-stamp the extra copy of this filing, and return it in the enclosed stamped envelope. Should you have any questions regarding this matter, please do not hesitate to contact me.

Respectfully submitted,

Chris Tran

Manager, Regulatory Affairs

Encl.



## Arbros Communications Licensing Company S.E., LLC

### Information Request

Respondent: Robert F. X. Condon, Director of Regulatory Affairs, Assist. Secretary

Date: May 10, 2000

**Question:** Technical qualifications:

Provide the following information regarding the proposed network data:

1. Provide the geographic area coverage: Nashville, Memphis, Knoxville, entire state, etc. Specify areas which will be excluded.

2. Location of switched - i.e., cities.

### Response:

- 1. Arbros intends to provide competitive facilities-based and resold local exchange and long distance telecommunications services on a statewide basis except in areas precluded from competition, if any. Arbros' initial market in Tennessee will be Nashville.
- 2. When Arbros becomes a facility-based telecommunications provider in Tennessee, its switch will be located in its initial market Nashville.

### Arbros Communications Licensing Company S.E., LLC

### **Information Request**

Respondent: Jeff Hamet, Vice President of Finance and Corporate Controller

Date: May 10, 2000

Question: Financial qualifications:

1. Provide sources of funding the Tennessee network, equipment and UNEs: Cash, Loan Commitments, Vendor Credits, Letters of Credit, etc. (complete detail). If the parent is listed as the source of funding, please provide sufficient information which appropriately substantiated the financial funding to the subsidiary.

2. Please quantify the amounts in the projected financial statements relating to reciprocal compensation for terminating ISP traffic.

#### Response:

- 1. Arbros Communications Licensing Company S.E., LLC will be primarily funded by its parent company, ARBROS Communications, Inc. To a much lesser extent various equipment financing organizations will also provide funding. These funding services will be utilized to build the Tennessee network and acquire the related equipment. The parent, ARBROS Communications, Inc., has historically been and will continue to be funded through private placement capital. These private placement funds have been raised almost exclusively for the funding of the parent's various subsidiary companies.
- 2. The amount of the reciprocal compensation for terminating ISP traffic in the projected financial statement is \$0.